

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

OEM Worldwide

South Dakota Manufacturing Extension Partnership

Value Stream Mapping and Kaizen Projects Increase Capacity at OEM Worldwide

Client Profile:

OEM Worldwide (OEM) is an Electronic Contract Manufacturer specializing in medium volume PCB assemblies and box build for products for medical, telecom, and industrial applications. Founded in 1989, the company employs 200 people at its facility in Watertown, South Dakota.

Situation:

OEM's production process was lagging and in need of general improvement. The company contacted the South Dakota Manufacturing Extension Partnership (Dakota MEP), a NIST MEP network affiliate, for help.

Solution:

Dakota MEP accessed the manufacturing processes and developed a Value Stream Map (VSM) of the entire production process. The analysis identified a bottleneck in the surface mount (SMT) machine placement area, which is the start of the process and sets the schedule throughout. A second project involved a Kaizen for the SMT area. Specifically, a cross functional team was assembled to assess the area and identify improvement opportunities. The initial solution included creation of a pit crew and cell layout to accomplish off-line setup to minimize machine change over time. This is key to their business as their production runs are low-to-medium volume with medium-to-high mix product.

Results:

- * Increased sales by 20 percent.
- * Increased capacity by 33 percent.
- * Avoided unnecessary investments.

Testimonial:

"We have worked with the Dakota MEP consultants both in our facility and in a classroom environment. In either environment, they are engaging and knowledgeable adding value to all levels of our organization."

Randy Malterud, VP of Manufacturing